



March 2003

Department of Animal Sciences and Industry

<http://www.oznet.ksu.edu/ansi/nletter/beeftips.htm>

Upcoming Events

Beef Improvement Federation

May 28-31
Lexington, KY
www.beefimprovement.org/convention.html

Kansas West Nile Virus Conference

April 21
Manhattan, KS
(800) 432-8222

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Continued Drought Calls for Tough Management Decisions

*Sandy Johnson, Livestock Specialist
and Rodney Jones, Livestock
Production Economist*

Moderate to severe drought conditions continued throughout much of Kansas at press time. Cow/calf producers have come up with a variety of ways to deal with the extensive forage shortage, including baling weeds, shipping cows to greener pastures, drylot and high-concentrate diets, and salvaging grain crops as hay or silage. Feed grain prices declined into the fall and winter, and hay and forage prices have not increased as much as many industry participants had projected or anticipated. Even so, many cow/calf producers have spent more on grazing and forage than in a typical year, and face the prospect of a similar situation, or even worse, in 2003.

Tough management decisions need to be made based on current feed costs and feed-cost estimates for the coming year. To add to a familiar adage: "Never try to feed your way out of a drought, *without precisely knowing your normal feed costs and how much you can afford to let feed costs increase and remain true to your business plan.*"

Estimates of annual grazing and other feed costs for the average Kansas cow/calf producer are \$240 to \$260 per cow, with some individuals as high as \$300 in a normal year. These numbers represent feed costs only, the total annual per-cow cost of production is considerably higher. Last year, depending on resources available and

management strategies employed, many producers spent at least \$20 to \$50 more per cow for feed than they would in a normal year. Given the extended cattle cycle, low-cost producers could justify some increase in feed costs and still economically maintain the cowherd last year.

Widespread persistent drought conditions have resulted in the longest cowherd liquidation phase of the cattle cycle in recent history, marked by small annual percentage changes. This continued liquidation extends the number of years that calf prices are expected to remain fairly favorable, allowing many cow/calf producers to absorb some additional costs. Producers trying to develop strategies for the coming year will need to keep a sharp pencil and remain abreast of weather and market changes, on a global basis.

Current projections for drought-stressed areas suggest that it may be possible to maintain a cow in 2003 for around \$300 in annual feed cost *if* feed ingredient prices do not increase dramatically, *if* summer feed costs (pasture or otherwise) can be kept under about \$130 per cow, and *if* crop residue is expected to be available in the fall to reduce mid-gestation maintenance costs. These are big questions that individual managers need to ponder as they evaluate the cow ownership decision. A second related issue is how many years of high feed cost an individual producer can stand. The answer, of course, depends on the rest of the

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cost structure of the operation, and how many years of above average calf prices can be expected before the price cycle turns down. Nobody knows the answers to these important questions, but here are some significant points to consider:

- **Know your cost of production.** Pay particular attention to feed costs. If you are a higher-than-average-cost producer in normal times, it will be extremely difficult to avoid severe financial losses in times of higher-than-average feed costs.
- **Consider the impacts of higher feed grain and forage prices if local drought conditions persist.** It appears that the risk of a feed ingredient price increase is greater than the potential for a decline given current weather related production concerns. A 10 percent rise in feed prices will add \$25 to \$30 to annual maintenance costs, and will drive up break-evens by \$5 to \$6 per hundred on a 500-pound weaned calf.
- **Be realistic about the prospects for summer grazing to keep summer feed costs in line.** Many areas of the state will need to decrease grazing time and/or stocking rates because of poor pasture conditions. This will increase costs per cow on owned land and will have varying impacts on leased pasture. Transporting cows to better conditions may be an option, but be sure to evaluate the costs.
- **Monitor the prospects for fall crop residue.** Alternative fall feeding programs are typically more expensive. As the season progresses, be prepared to adjust management decisions (cull heavier than anticipated) if the prospects for adequate crop residue look less favorable.

- **Don't try to control feed costs by shorting late gestation or lactating cows on nutrition.** If bad weather and disease exposure hit cows and calves under nutritional stress, significant losses could be expected.
- **When herd expansion occurs, it will take smaller changes in the beef cow population to affect markets because cow efficiency has increased over time.** In 2002, beef production per cow was 637 pounds, approximately 100 pounds more than 1992. Average carcass weight has been increasing at 6 pounds per year. Current estimates are that calf prices will turn lower in 2005 or 2006 if expansion of the cowherd starts this year. Continue to monitor drought conditions across a large geographic area for expansion signals. If conditions do not improve fairly quickly, expansion may be delayed even further into the future.

Brazle retires

Frank Brazle, professor and livestock production specialist, Southeast Area, retired Feb. 3, after more than 31 years of service. He began his K-State Research and Extension career as a 4-H youth development agent in Crawford County. He later served as agriculture agent for that county and then as extension livestock production specialist in the Southeast Area. A retirement celebration is planned for 7 p.m. Saturday April 5, at the American Legion in Chanute, Kan. Frank has been a valuable member of the beef extension group. His contributions will be missed.

Develop a Plan to Control West Nile Virus in 2003

Larry C. Hollis, DVM, MAg,
Beef Veterinarian

As we anticipate warmer weather, it's inevitable that mosquitoes won't be too far behind. With their return, West Nile virus (WNV) transmission will resume. Now's the time to develop your mosquito control plan for the 2003 WNV season.

In 2002 there were 14,717 laboratory-confirmed WNV cases in horses from more than 40 states in the United States. Kansas accounted for 716 of the confirmed equine cases. By the end of 2002, WNV had been detected in 98 Kansas counties.

As veterinarians and horse owners became familiar with the symptoms and began recognizing the disease, confirmatory testing declined. Conversations with several Kansas veterinarians indicate that the true incidence of disease in horses was significantly underreported. WNV is expected to complete its sweep to the west coast this summer. The U.S. Centers for Disease Control recently changed the classification of WNV from a foreign animal disease to an endemic disease, meaning that the disease is here to stay in the United States. There is no practical way to eradicate the disease.

In addition to the problems in horses, WNV can also cause illness in humans. Since the disease was first detected in New York state in 1999 there have been more than 3,900 human cases of WNV, with 247 confirmed deaths. Flu-like symptoms, including generalized weakness and persistent, severe headache are the primary signs seen in people. Human deaths have occurred primarily in weak or immunocompromised people.

Control measures can be used to help reduce both equine and human illness. Measures to control mosquitoes will reduce the potential for transmission of the virus to all species. For details refer to the *Kansas Insect Newsletter* No. 7, September 5, 2002, which is available online at www.oznet.ksu.edu/dp_entm/extension/KIN/kin_2002/no.7/kin7_2002.htm.

This excellent K-State Research and Extension publication outlines critical mosquito control points and mosquito bite reduction/prevention strategies. If you do not have Internet access, your local K-State Research and Extension office should be able to download a copy for you.

A conditionally licensed vaccine is available through your veterinarian for use in vaccinating horses. The vaccine manufacturer recommends two vaccinations three weeks apart the first year, followed by a single annual booster. If your horses were not vaccinated last year, or given only one vaccination, you should consider having the vaccine series administered this year so that the second vaccination is given before the start of mosquito season, around April 15.

If your horses were vaccinated twice last year, it may be a good idea to booster them before the start of mosquito season this year rather than waiting until the one-year anniversary of their last vaccination last year. If you have an extremely valuable horse when considered from either a monetary, business, or emotional perspective, it might buy extra peace of mind to booster twice – once before the start of mosquito season, and again right before mosquito season peaks around August 1.

Horses that do become infected can be treated and survive in many cases. If you have a horse that you suspect of having WNV, contact your veterinarian and have the horse examined and treatment started as soon as disease is suspected. Many horses were successfully treated last year by practicing veterinarians in the field or following referral to the College of Veterinary Medicine at K-State, but the odds of success diminished greatly if the horse went down before treatment was initiated. Recovered animals are normally immune to further infection.

With planning and timely implementation, you can reduce the risk that West Nile Virus will affect your operation this year.

Kansas Feedlot Performance and Feed Cost Summary*

Gerry Kuhl, Feedlot Specialist, Kansas State University

January 2003 Closeout Information

Sex/No.	Final Weight	Avg. Days on Feed	Avg. Daily Gain	Feed/Gain (Dry Basis)	% Death Loss	Avg. Cost of Gain/Cwt.	Projected Cost of Feb. - Placed Cattle
Steers/8,057	1,268	150 (127-167)	3.40 (3.08-3.69)	6.08 (5.68-7.00)	1.52	\$54.99 (51.65-61.49)	\$53.50 (48.00-60.00)
Heifers/23,421	1,162	145 (133-169)	3.18 (2.83-3.48)	6.15 (5.65-6.90)	1.26	\$55.79 (52.61-58.95)	\$55.25 (50.00-61.00)

Current Feed Inventory Costs: Mid-Feb. 2003	Avg. Prices	Range	No. Yards
Corn	\$ 2.72/bu	\$ 2.60-2.88	7
Ground Alfalfa Hay	\$107.72/ton	\$95.00-125.00	7

K-State, County Extension Councils, Extension Districts, and U.S. Department of Agriculture Cooperating.

All educational programs and materials available without discrimination on the basis of race, color, religion, national origin, sex, age, or disability.

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